



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT

Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

In Reply Refer To: MS GM 266A
82198929

DEC 04 2019

Federal Insurance Company
c/o Chubb
436 Walnut Street
Philadelphia, PA 19106
Attn: Sara Owens

Dear Ms. Owens:

Your letter dated October 25, 2019, requesting termination of the period of liability of Outer Continental Shelf (OCS) Mineral Lessee's and Operator's Bond No. 82198929, in the amount of \$3,000,000, was received by our office on November 4, 2019. This bond, conditioned to cover principal's leasehold interest held now or hereafter in the Gulf of Mexico, was executed on September 18, 2010, with Koch Exploration Company, LLC as principal and Federal Insurance Company as surety.

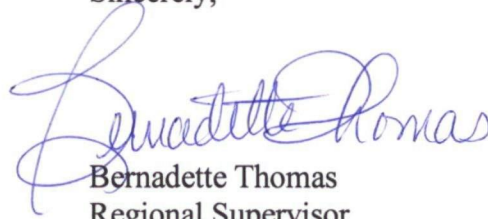
The Bureau of Ocean Energy Management has no objection to termination of Bond No. 82198929. The period of liability is considered to have terminated effective November 25, 2019, the date of final concurrence with the termination, except as to any liability which may have accrued prior to that date.

Notwithstanding the fact that the period of liability under the above-described bond has terminated, the bond cannot be cancelled until seven years after the termination of the lease, six years after completion of all bonded obligations, or at the conclusion of any appeals or litigation related to your bonded obligations, whichever is the latest. When these requirements have been met you may submit a written cancellation request.

Please note that during the aforementioned period, to cover actual or potential outstanding obligations associated with the herein identified lease, you may provide acceptable security, pledged collateral or another corporate surety bond to the Bureau of Ocean Energy Management in lieu of the above-described surety.

If you require further assistance, please contact Kathleen Lee at (504) 736-5774 or boemgomrfinancialassurance@boem.gov.

Sincerely,

A handwritten signature in blue ink, reading "Bernadette Thomas". The signature is fluid and cursive, with the first name being more prominent.

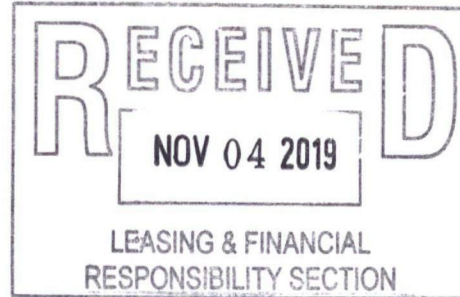
Bernadette Thomas
Regional Supervisor
Leasing and Plans

cc: Koch Exploration Company, LLC
9777 Pyramid Court, Suite 210
Englewood, CO 80112
Attn: Dale Schlinsog

Sent Via Email To: sara.owens@aon.com , RADINJ@kochind.com ,
brian.wagenheim@chubb.com

CHUBB

436 Walnut St., Philadelphia, PA 19106



October 25, 2019

Bureau of Ocean and Energy Management
New Orleans Office
1201 Elmwood Park Blvd.
New Orleans, LA 70123-2394
Leasing and Financial Responsibility - Mail Stop GM 266A

To Whom It May Concern:

Federal Insurance Company issued an **Oil and Gas Bond (Bond No. 82198929)** in the amount of **\$ 3,000,000.00** (the "Bond") at the request of **KOCH EXPLORATION COMPANY, LLC** as Principal, for the benefit of **U.S. Department of the Interior**, as obligee ("Obligee"). We are requesting termination of the period of liability and bond cancellation. Please see bond information below.

Bond No: 82198929
Bond Type: Oil and Gas - Outer Continental Shelf Mineral Lessee's and Operation's Bond;
Gulf of Mexico
Principal: Koch Exploration Company, LLC
Surety: Federal Insurance Company
Execution Date: 9/18/2010
Bond Amount: \$3,000,000.00
Contact email for surety: brian.wagenheim@chubb.com
436 Walnut Street, Philadelphia, PA 19106, United States
O 215.640.2552 M 717.315.8235

Sincerely,

Federal Insurance Company


Sara Owens, Attorney-in-Fact

Agent:
Aon Risk Services Central, Inc., 1650 Market Street, Philadelphia, PA 19103 - 215-255-1750 –
sara.owens@aon.com

Please direct questions for the principal to Jordan Radin at radinj@kochind.com or
(720) 201-4941



Power of Attorney

Federal Insurance Company | Vigilant Insurance Company | Pacific Indemnity Company

Know All by These Presents, That **FEDERAL INSURANCE COMPANY**, an Indiana corporation, **VIGILANT INSURANCE COMPANY**, a New York corporation, and **PACIFIC INDEMNITY COMPANY**, a Wisconsin corporation, do each hereby constitute and appoint Kimberly G. Sherrod of Columbus, Ohio; George Gionis, Vicki Johnston, Kaitlyn Malkowski, Elizabeth Marrero, Jaquanda Martin, Wayne G. McVaugh, Sara Owens, Patricia A. Rambo, Lori S. Shelton and Joanne C. Wagner of Philadelphia, Pennsylvania; Cathy H. Ho, Justin Johnson and Barbara L. Rutter of Pittsburgh, Pennsylvania-----

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said **FEDERAL INSURANCE COMPANY**, **VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** have each executed and attested these presents and affixed their corporate seals on this **11th** day of **April**, **2019**.

Dawn M. Chloros

Dawn M. Chloros, Assistant Secretary

Stephen M. Haney

Stephen M. Haney, Vice President



STATE OF NEW JERSEY

County of Hunterdon

SS.

On this **11th** day of **April**, **2019**, before me, a Notary Public of New Jersey, personally came Dawn M. Chloros, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Dawn M. Chloros, being by me duly sworn, did depose and say that she is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of said Companies; and that she signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that she is acquainted with Stephen M. Haney, and knows him to be Vice President of said Companies; and that the signature of Stephen M. Haney, subscribed to said Power of Attorney is in the genuine handwriting of Stephen M. Haney, and was thereto subscribed by authority of said Companies and in deponent's presence.

Notarial Seal



ROSE CURTIS
NOTARY PUBLIC OF NEW JERSEY
No. 50072400
Commission Expires November 22, 2022

Rose Curtis
Notary Public

CERTIFICATION

Resolutions adopted by the Boards of Directors of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY on August 30, 2016:

"RESOLVED, that the following authorizations relate to the execution, for and on behalf of the Company, of bonds, undertakings, recognizances, contracts and other written commitments of the Company entered into in the ordinary course of business (each a "Written Commitment"):

- (1) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise.
- (2) Each duly appointed attorney-in-fact of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise, to the extent that such action is authorized by the grant of powers provided for in such person's written appointment as such attorney-in-fact.
- (3) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to appoint in writing any person the attorney-in-fact of the Company with full power and authority to execute, for and on behalf of the Company, under the seal of the Company or otherwise, such Written Commitments of the Company as may be specified in such written appointment, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.
- (4) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to delegate in writing to any other officer of the Company the authority to execute, for and on behalf of the Company, under the Company's seal or otherwise, such Written Commitments of the Company as are specified in such written delegation, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.
- (5) The signature of any officer or other person executing any Written Commitment or appointment or delegation pursuant to this Resolution, and the seal of the Company, may be affixed by facsimile on such Written Commitment or written appointment or delegation.

FURTHER RESOLVED, that the foregoing Resolution shall not be deemed to be an exclusive statement of the powers and authority of officers, employees and other persons to act for and on behalf of the Company, and such Resolution shall not limit or otherwise affect the exercise of any such power or authority otherwise validly granted or vested."

I, Dawn M. Chloros, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing Resolutions adopted by the Board of Directors of the Companies are true, correct and in full force and effect,
- (ii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Whitehouse Station, NJ, this **25th** day of **October**, **2019**



Dawn M. Chloros

Dawn M. Chloros, Assistant Secretary

IN THE EVENT YOU WISH TO VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT:

Telephone (908) 903-3493 Fax (908) 903-3656 e-mail: surety@chubb.com